



---

## TECHNICAL BULLETIN No. 002

---

TITLE **Procurement Ethics**  
REVISION **Number 1**

---

### I. Authority

- A. Applicable Administrative Code
- A.A.C. R2-7-201 State Procurement Administrator: Duties and Qualifications

### II. Revision Note

This Technical Bulletin revises and supersedes Policy Number 008 (issued March 2002).

### III. Definitions

- A. **Ethics** means the study of right and wrong; the principles of conduct governing the behavior of an individual or a profession. (Source: NIGP Dictionary)
- B. **Purchasing Ethics** means the moral principals or code to be respected and followed by purchasing personnel. Prohibits breach of the public trust by any attempt to realize personal gain by a public employee through conduct inconsistent with the proper discharge of the employee's duties. (Source: NIGP Dictionary)
- C. **National Institute of Governmental Purchasing** (NIGP) is a national, membership-based non-profit organization providing support to professionals in the public sector purchasing profession. NIGP provides its members with many services, including education, professional networking, research and technical assistance.
- D. **Gratuity** means a payment, loan, subscription, advance, and deposit of money, service or a promise of such given in return for a favor or in expectation of a favor. A gratuity may include any tangible and intangible benefit in the nature of gifts, favors, entertainment or discounts and kickbacks. Also included are passes, transportation, accommodations, hospitality, or offers of employment in connection with any decision, approval, disapproval, recommendation, influence, investigating, auditing, rendering advice, request for ruling, determination or claim. Gratuity by definition asserts that there is an implied obligation of further favorable action on the part of the person who receives a gratuity.



#### **IV. Statement of Policy**

- A. This policy is offered as a general guideline to deal with various aspects of ethical behavior. It is the policy of the State of Arizona Procurement Office that the state governmental units maintain the highest ethical standard consistent with professional public procurement, best practices and zero tolerance for unethical behavior.
- B. The National Institute of Governmental Purchasing (NIGP) Code of Ethics is hereby incorporated into this policy. ([www.aznigp.org](http://www.aznigp.org))
- C. The following Procurement Conduct and Values serve as a tool for best practice procurement. Any person employed by the State of Arizona who purchases goods and services, or is involved in the purchasing process for the state, shall:
  - 1. Never solicit or accept money, loans, credits or prejudicial discounts, and avoid the acceptance of gifts, entertainment, favors, or services from present or potential suppliers which might influence, or appear to influence purchasing decisions.
  - 2. Promote positive supplier relationships by providing an environment where all business concerns, large and small, women owned, majority or minority owned are afforded an equal opportunity to compete for State of Arizona business.
  - 3. Conduct all purchasing activities in accordance with the Arizona State Procurement Statutes, Administrative Rules, Executive Orders, and State Procurement Office Technical Bulletins, while remaining alert to and advising management regarding the legal ramifications of purchasing decisions.
  - 4. Display the highest ideals of honor and integrity in all public and personal relationships in order to merit the respect and inspire opportunity by the avoidance of appearance or intent of unethical or compromising practice in relationships, actions and communications.
  - 5. Demonstrate loyalty to the State of Arizona and employing agency by diligently following all lawful instructions while using professional judgment, reasonable care, and exercising only the authority granted.
  - 6. Enhance the proficiency and professional status of procurement by seeking further educational endeavors.
  - 7. Refrain from any private or professional activity that would create a conflict between personal interests and the interest of the State of Arizona with an un-abiding consideration for the role of perceptions.
  - 8. Constantly strive for the highest standards of ethical behavior; trust, respect, fairness, integrity and credibility.



### **Effective**

This Technical Bulletin is hereby effective this 6<sup>th</sup> day of May, 2008, unless otherwise revised or repealed.

Statute, Administrative Rule, and Executive Orders shall prevail in the event of a discrepancy between this policy and applicable Statute, Administrative Rule, or Executive Orders.

### **Signature**

A handwritten signature in blue ink, reading "Jean A. Clark", is positioned above a horizontal line.

Jean A. Clark, CPPO, C.P.M., CPPB, CPM  
State Procurement Administrator